



# Public Safety Complex Funding Options

Board of Selectmen  
October 14, 2015

# Debt Service Funding Options

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## ▶ Option 1 - Inside the Levy Limit

- ▶ Debt service is paid as part of the operating budget within the existing levy limit

## ▶ Option 2 - Outside the Levy Limit (debt exclusions)

- ▶ Debt service is added to the levy in addition to the amount annually allowed by Proposition 2-1/2 = over and above
- ▶ Requires another town meeting authorization
- ▶ Requires DOR permission, not a ballot vote, to add to the debt exclusion
- ▶ Examples of past debt exclusion projects are Wampatuck School improvements and Jenkins School construction.



# Option 1- General Fund Supported

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- ▶ Transfer available appropriations from unused articles and unspent portions of completed capital projects.
- ▶ Transfer the unallocated portion of the Capital Stabilization Fund.
  - ▶ Allocations to Capital Stabilization Fund for foreshore protection, ambulance replacement, Humarock fire station repairs and turf field replacement remain untouched.
- ▶ Borrow remaining funds with corresponding debt service supported by general fund operational budget within existing levy limit
- ▶ No additional tax impact on property owners



# Option 1- Available Funds to Apply to Project

<b>Capital Projects/Articles Funded by Available Funds</b>		
Account	Description	Balance
001.123.0914.5890.NO05.0000	HYBRID VEHICLES	\$8,229.82
001.155.0914.5890.005G.0000	GIS & Permitting Phase II	\$1,787.50
001.161.0913.5890.OS01.0000	SPECIAL ELECTION US SENATOR	\$14,711.51
001.220.0914.5890.005H.0000	Defibrillator	\$4,762.65
001.220.0914.5890.005Q.0000	Fire Command Vehicle	\$585.53
001.300.0911.5890.003H.0000	School Bus	\$5,112.00
001.300.0911.5890.003J.0000	School-two emergency generators	\$1,936.00
001.300.0912.5890.NO03.0000	Gates Feasibility	\$5,210.32
001.300.0914.5890.005D.0000	Handicapped Accessible Van	\$9,000.00
001.411.0912.5890.004L.0000	DPW vehicles	\$1,897.15
001.422.0912.5890.004G.0000	1-ton dump truck - highway	\$1,146.00
001.422.0912.5890.004K.0000	Asphalt reclamation system	\$400.00
001.422.0914.5890.005N.0000	Highway 2 Ton Roller	\$500.00
001.429.0914.5890.005L.0000	Public Grounds Loader	\$11,617.28
		<b>\$66,895.76</b>



# Option 1 - Available Funds to Apply to Project

<b>Capital Projects Funded by Borrowing</b>		
Account	Description	Balance
030.300.0913.5890.003B.0000	School Security Installations	\$119.00
030.300.0910.5890.0S02.0000	Wampatuck School Improvements	\$84,538.98
032.141.0913.5890.003F.0000	Replace GIS & Permitting Programs	\$11,118.00
032.220.0914.5890.0008.0000	FIRE TRUCK	\$45,465.05
032.400.0911.5890.003F.0000	DPW Bobcat	\$2,308.00
032.400.0913.5890.003J.0000	Rebuild 1992 International Truck	\$21,503.51
032.422.0914.5890.005J.0000	Highway Dump Truck	\$5,092.00
032.610.0911.5890.003G.0000	Library Metal Ductwork	\$27,318.04
		<b>\$197,462.58</b>
<b>Total Potential Prior Appropriations to Apply to PSC</b>		<b>\$264,358.34</b>
Available Funds - Capital Stabilization Fund		\$780,000.00
<b>Grand Total Potential Available Funds to Apply</b>		<b>\$1,044,358.34</b>



# Option 1 - Funding Sources – Base Bid

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	<b>Base Bid - Low Bidder</b>	<b>Base Bid - 2nd Bidder</b>
Additional Cost of Public Safety Complex	\$1,500,000	\$1,677,000
less Capital Stabilization Fund	(\$780,000)	(\$780,000)
less Unspent Articles & Capital Projects	(\$264,358)	(\$264,358)
Additional Borrowing Amount (rounded up to nearest \$1,000)	(\$456,000)	(\$633,000)

\*Bidders must still be vetted through DCAMM

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# Option 1 -Funding Sources

## Base Bid with Alternates 1 & 2

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	<b>Base Bid &amp; Alts 1 &amp; 2 - Low Bidder</b>	<b>Base Bid &amp; Alts 1 &amp; 2 - 2nd Bidder</b>
Additional Cost of Public Safety Complex	\$2,251,000	\$2,367,000
less Capital Stabilization Fund	(\$780,000)	(\$780,000)
less Unspent Articles & Capital Projects	(\$264,358)	(\$264,358)
Additional Borrowing Amount (rounded up to nearest \$1,000)	(\$1,207,000)	(\$1,323,000)

\*Bidders must still be vetted through DCAMM

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# Financing Additional Costs – Option 1

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## Pros

- ▶ No increased burden to taxpayer
- ▶ Project can move forward
- ▶ Utilize all available funds before borrowing

## Cons

- ▶ Funding will need to come from another budget
- ▶ Other capital projects will be delayed to offset increased debt service
- ▶ Debt service burden also increased by additional foreshore protection projects
- ▶ Depleting Capital Stabilization Fund



## Option 2 – Outside the Levy Limit (Debt Exclusion)

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- ▶ Transfer available appropriations from unused articles and unspent portions of completed capital projects.
  - ▶ Transfer the unallocated portion of the Capital Stabilization Fund.
    - ▶ Allocations to Capital Stabilization Fund for foreshore protection, ambulance replacement, Humarock fire station repairs and turf field replacement remain untouched.
  - ▶ Borrow remaining funds with corresponding debt service being added to the existing debt exclusion previously authorized by voters
  - ▶ Tax impact on property owners
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## Option 2 - Funding Sources – Base Bid

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	<b>Base Bid - Low Bidder</b>	<b>Base Bid - 2nd Bidder</b>
Additional Cost of Public Safety Complex	\$1,500,000	\$1,677,000
less Capital Stabilization Fund	(\$780,000)	(\$780,000)
less Unspent Articles & Capital Projects	(\$264,358)	(\$264,358)
Additional Borrowing Amount (rounded up to nearest \$1,000)	(\$456,000)	(\$633,000)
Tax Bill Impact for Borrowing	\$6	\$8

\*Bidders must still be vetted through DCAMM

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# Option 2 -Funding Sources

## Base Bid with Alternates 1 & 2

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	<b>Base Bid &amp; Alts 1 &amp; 2 - Low Bidder</b>	<b>Base Bid &amp; Alts 1 &amp; 2 - 2nd Bidder</b>
Additional Cost of Public Safety Complex	\$2,251,000	\$2,367,000
less Capital Stabilization Fund	(\$780,000)	(\$780,000)
less Unspent Articles & Capital Projects	(\$264,358)	(\$264,358)
Additional Borrowing Amount (rounded up to nearest \$1,000)	(\$1,207,000)	(\$1,323,000)
Tax Bill Impact for Borrowing	\$15	\$16

\*Bidders must still be vetted through DCAMM

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# Financing Additional Costs – Option 2

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## Pros

- ▶ Tax impact will be several years out.
- ▶ Project can move forward
- ▶ Debt service within levy limit available to other projects
- ▶ Does not require additional ballot vote
- ▶ Utilize all available funds before borrowing

## Cons

- ▶ Increased burden to taxpayer
- ▶ Depleting Capital Stabilization Fund

